

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

9 7 - 1 4

2. STATE:

New York

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

April 1, 1997

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR Part 447 Subparts E & F

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A Part II Page 12

**SEE REMARKS

7. FEDERAL BUDGET IMPACT:

a. FFY 1996-1997 \$ 0 (8.0 million) **
b. FFY 1997-1998 \$ 0 (16.0 million) **

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

No Previous Page

10. SUBJECT OF AMENDMENT:

Disproportionate Share Payments for Mental Health Outpatient Services and Substance Abuse or Alcoholism Services

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☒ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Barbara A. DeBuono

13. TYPED NAME:

Barbara A. DeBuono, M.D., M.P.H.

14. TITLE:

Commissioner

15. DATE SUBMITTED:

June 30, 1997

16. RETURN TO:

New York State Department of Health
Corning Tower
Empire State Plaza
Albany, New York 12237

FOR THE RECORD

DATE: 6/30/97 (P. 4/30/97)

STATE AGENCY OFFICIAL:

DATE: April 10, 1997

NAME: Sue Kelly

POSITION: Director of Health Care Financing Administration

REMARKS:

The new effective date is April 10, 1997.

In Box 7 has been revised to reflect that FFY 1996-1997 is 8.0 million and FFY 1997-1998 is 16.0 million.

In Box 10 the word "dependent" has been deleted.

Original submitted page has been revised and numbered and approved Attachment 4.19A.

Part I Page 249(c)

Additional disproportionate share payments.

Beginning April 10, 1997 and for annual periods beginning April 1st thereafter, additional disproportionate share payments shall be paid to voluntary non-profit general hospitals. Such payments shall not exceed each such general hospital's cost of providing services to uninsured and Medicaid patients after taking into consideration all other medical assistance payments received, including disproportionate share payments made to such general hospitals and payments from and on behalf of such uninsured patients and shall also not exceed the amount of state aid for which the hospital or its successor would have been eligible pursuant to Articles 25 and 41 of the Mental Hygiene Law (as described below) for fiscal year 1996-97, the Base Year. Such additional disproportionate share payments will be calculated by aggregating net approved operating costs for such mental health and/or alcoholism or substance abuse programs in each hospital. Net operating costs are defined as operating costs offset by revenues, other income, federal aid and fees. The payments may be made as quarterly aggregate payments to an eligible hospital.

Payments beginning April 1, 1998 and thereafter will be related to the hospital's willingness to continue to provide services previously funded by state aid grants. The Commissioners of the Office of Mental Health (OMH) and the Office of Alcoholism and Substance Abuse Services (OASAS), in consultation with county directors of community services, will annually designate to the Department of Health those general hospitals eligible for the additional disproportionate share payment, and the amount thereof. If a hospital does not continue to provide substantially the same level of program and/or services as in the Base Year, the local governmental unit can recommend to the Commissioner of OMH and/or the Commissioner of OASAS that the provider not be designated to receive disproportionate share payments for mental health and/or substance abuse and alcoholism services in the future. In addition, if a hospital reduces its deficit from that of the Base Year, either as a result of increased program revenues, or as a result of program or service cutbacks, or as a result of lower costs, the local governmental unit can recommend to OMH and/or OASAS that the additional disproportionate share payment be reduced commensurate with the decrease in the deficit.

Services funded under Article 41 include mental health services. Alcoholism services funded under Article 41 include health and alcoholism treatment services. Substance abuse services funded under Article 25 include health and substance abuse services.

TN 97-14 Approval Date JUN 06 2001

Supersedes TN New Effective Date 4/10/97